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Statement of the Chairperson of the African Union
Commission, HE Dr. Nkosazana Dlamini Zuma,

at the

Global changes and the
7th Europe Economic Congress

Katowice, Poland 20 April 2015

Programme Director
Excellencies,
Esteemed Participants
Ladies and Gentlemen

Let me once again reiterate my pleasure at participating in this important forum.

We are living in a fast changing world, where all of us are confronted with vast opportunities, as well as old and new challenges.

Economic development and power in the world has shifted since the turn of the millennium. We have seen the rise of emerging economics, in Asia, South America, Africa, including the progress made by Poland and other countries in the region.

Production has changed fundamentally, with global supply chains where components to one product are made in multiple locations.

Technology has not only made our world more integrated and linked, but has also introduced possibilities for the advancement of humanity.

At the same time, globalization has its challenges, not least the greed, risk-taking, and lack of regulation that lead to the financial crisis; growing inequality, the feminization of poverty, the threats of terrorism and extremism, the challenge of infectious disease and climate change.

The African continent, at the turn of the century was called the 'hopeless continent' by some, because they believed that globalization will leave it even further marginalized and that technology will bypass it. Africans, on the other hand, were determined to change our fortunes during this century.

Fifteen years later, the narrative about Africa has largely shifted and it is recognize as a place of opportunity, now and into the future.

As the second fastest growing region in the world, Africa has started to change. Since 2000, foreign investment into the continent has increased from 15.9 percent of the GDP to over 22 percent.

Nigeria, South Africa and Kenya are consistently counted amongst the top ten foreign direct investors on the continent, with their companies having a continental footprint.

Pan African and regional companies are emerging not only in mining, but also in cement and construction, construction, retail, telecommunications, financial services and banking.

Infrastructure development over the last decade has contributed over half of African growth, with public investment contribution over 60% of investments.

Instead of being bypassed by the information communication revolution as widely predicted, Africa leapfrogged, becoming the second largest mobile phone market in the world after Asia, with over 620 million mobile connections in just

over a decade. Internet usage in Africa – from a very low base - grew by 2,527% compared to a world average of 480%¹.

This fast absorption of ICT saw innovations in many areas such as access to health services, agricultural support, micro-finance access and improving access of rural producers and entrepreneurs to markets.

Africa's growing cities also present a unique opportunity. There are already fifty-two (52) cities in Africa with more than 1 million inhabitants. Today, there are three cities with populations of more than 5 million inhabitants (Cairo, Kinshasa and Lagos), by 2050 there could be 35 such cities in 21 countries².

These cities are key centres for innovation, entrepreneurship and growth. African cities will be major contributors to the growth of domestic markets, with Africa's middle class set to grow over the next few decades.

¹ Rao, Madanmohan (2012). *MobileAfrica 2012 Report. Sustainable innovation ecosystems*. http://www.mobilemonday.net/reports/MobileAfrica_2012.pdf and Claude Harding, "How Africa's economy is benefiting from the ICT revolution," <http://www.howwemadeitinafrica.com/how-africa%E2%80%99s-economy-is-benefitting-from-the-ict-revolution/12857/>

² EMF, op cit. page 27

All of Africa's programmes to curb underdevelopment - its agricultural and agro-processing programmes, its efforts to transform our economies through industrialization, beneficiate and add value to its natural resources and to build manufacturing - are dependent on access to adequate, reliable and affordable energy.

Currently, over 80% of African energy are from fossil fuels: coal, oil and gas and we therefore seeks to build an appropriate energy mix, that contributes towards rapid, but sustainable, inclusive and climate resilient economic growth.

A major initiative is the Africa Clean Energy Corridor, which covers twenty-two (22) countries³ of the Eastern Africa and Southern African Power Pools. Countries in the two regions are experiencing rapid economic growth and urbanization, and the demand for energy is increasing.

³ Africa Clean Corridor Countries: Angola, Botswana, Burundi, Democratic Republic of Congo, Djibouti, Egypt, Ethiopia, Kenya, Lesotho, Libya, Malawi, Mozambique, Namibia, Rwanda, South Africa, South Sudan, Sudan, Swaziland, Tanzania, Uganda, Zambia, Zimbabwe. See www.irena.org and contact acec@irena.org

Countries that form part of the Clean Energy Corridor already have a number of projects in hydro, geothermal, biomass, wind and solar in progress, to reduce the dependency on fossil fuels.

This includes the Grand Inga project in the DRC, the development of geothermal energy in Kenya and the rest of the East Africa Rift Valley, and of course solar and wind energy. Similar projects are also in progress in parts of West Africa through ECOWAS.

Ladies and Gentlemen

Our fifty-year plan, Agenda 2063 is therefore structured to ensure that Africa transform to end its underdevelopment, improve the lives of its peoples, and to take its rightful place in the world.

Agenda 2063 is premised on the common destiny of African countries and the need for greater integration.

Thus we are committed to launch the Continental Free Trade Area by 2017, In June this year, negotiations will officially start, and already there is the tripartite agreement between regional economic communities of Southern, and Eastern Africa - representing a market of over 400 million people.

In a similar vein, our programmes of skills development, industrialization, value addition in minerals, in agriculture, as well as infrastructure development are aimed at diversifying African economies and integrating Africa in global trade (not just as exporter of raw materials), investment and as part of global value chains.

We are therefore hard at work to transform the continent, and we encourage partnership between companies from Poland and other parts of the region and African companies.

The AU cooperates with the European Union in this Pan African programme, with cooperation in economic development, investments, infrastructure, science, agriculture and other areas.

The AU Commission also works with our Member states, and especially with the Regional Economic Communities on strengthening institutions for economic management, and investment, as well as harmonization of policy.

It encourages cooperation amongst groups of countries on specific issues, for example, aviation, regional energy pools, transport and logistics infrastructure, and so forth.

There are also concerted efforts in all countries to improve the business environment, improve the ease of doing business and facilitating long-term investments in productive capacities.

We are of the firm belief that integration and shared prosperity of Africa is a win-win situation not only for its citizens, but also for the rest of the world.

A strong, peaceful, integrated and growing Africa will contribute to a more peaceful and prosperous world.

I thank you